

Annuity News

October 2016 No 94

Featuring:

Updates from Council, news about our current activity, Members' Questions and Answers, and many other useful snippets.

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Council 2016

Your governing body meets

The first weekend in September was the Annual Council meeting as usual. It was a busy weekend which attracted delegates from all branches, a few observers, and some Life Members. Many issues were discussed and a couple of fundamental decisions were made regarding subjects that have occupied us for some time. (See following section).

We also had very interesting guest presentations. Michael Littlewood from Auckland University spoke to us about the financial issues around ageing and the role of Government in assisting citizens to prepare for retirement. His thesis that Governments have only a minimal role in this matter was of interest.

Metiria Turei, Co-Leader of the Greens Party gave a very good presentation of the Greens' social policies with particular interest in those issues affecting beneficiaries and the elderly.

It's all about perception:

"One foot in the gravy"

"Baby-boomers have spent their lives making noise and demanding attention. They are not going to stop now. They will be the biggest and richest group of pensioners in history. They will also be the longest lived: many will spend more time in retirement than they did working. The baby-boomers have changed everything they have touched since their teenage years, leaving behind them a trail of inventions, from pop culture to two-career families. Retirement is next on the list." – The Economist, April 9th 2016



Advocacy

Finding a way around the brick wall

This Government continues to ignore us. Apparently, there are no outstanding issues.

At Council decisions were made to take no further action on the Tax Equity case. This followed an examination of the subject this year by a sub-committee of the Board which determined that given the current political climate, and the fact that the GSA had explored every avenue including petitioning Parliament, there is little point in expending further energy on this matter at the present time. The issue can be readdressed should circumstances change.

However, on the issue of obtaining the promised 100% CoLA for pre-1985 retirees, Council resolved to take this fight to a new level and instructed the Board to prepare a petition to parliament. Our approaches to the GSFA, the Ombudsman, and the Government have been futile. A petition is seen as the only way the GSA can get all political parties to pay attention to the plight of some of our oldest and most vulnerable members.

Council was also very much aware that next year is an election year and that an organisation with over 28,000 members cannot be ignored forever. Council discussed the possibilities that an election might open up candidates, and parties, to some GSA lobbying, especially in marginal electorates or in electorates where minor parties have scored well. The Board was tasked with investigating an election strategy.

From The President

Dear Fellow Members,

We may need to remind ourselves sometimes about why Government Superannuation Fund members and members of the National Provident Fund had organised themselves into the GSA, that is into an Incorporated society. We were all public servants, nurses, teachers, doctors, postal workers, police, soldiers, sailors, airmen, MPs and even judges. Latterly railway workers became GSA members after many years having their own association. We all want to protect the contract between the individual member and the Crown.



We need as large a membership as possible—the larger the number the more the political clout. A drive for new members has been a priority this year. Existing annuity recipients, pre annuitants and spouses and partners have been targeted. Results have been very encouraging—around 2000 new members at the last count and we peaked at a total membership of 28,500. Natural attrition will slowly whittle this away, of course, so our recruiting efforts remain a priority.

When you see formers colleagues do ask whether they are GSA members (or horror, did they stop contributing after a few years and never got going again?).

Remember also to advise your nearly retired friends that the only informed advice on options like taking lump sums, and end of service leave etc, is Datacom. Or they can ring National Office for help. Very very few lawyers understand the system nor do financial advisors.

As election year looms we need to develop our election strategy, older issues need a revamp and new issues may need airing. We will be asking branches to seek out local candidates and put our requests and concerns in front of them.

When we embark on our electioneering we need numbers, i.e. voters to quote to the candidates. And if the politicians say we should be grateful for the annual payment the government puts into the pot, remind them that we took lower rates of pay for forty working years and put in ourselves some 6.5%-7.0% each pay into the fund. And the government deferred its contractual employer contribution and must now dip into current taxation as annuity payments come due each month.

We had a very successful Council annual meeting on 3/4 September. Delegates and observers gave up two or three days of their valuable time to represent you. We are all grateful for the expertise and thought Branches they put into these matters.

Finally, I have very much enjoyed being President for the past year. I was delighted to be re-elected at Council and I look forward to continuing to serve you as best I can.

Best wishes for the Summer and a happy Christmas to you all

A handwritten signature in cursive script that reads "Janice Campbell".

Janice Campbell
President

What Academics Say:

- A. What do you think is your greatest weakness?
- B. Interpreting the semantics of a question but ignoring the pragmatics.
- A. Could you give me an example?
- B. Yes, I could.



Superable Remuneration

Occasionally you win one – but there is a lesson to be learned

In October 2015 the GSA agreed to support a pre-annuitant member employed in the health sector who was challenging the Government Superannuation Fund Authority (GSFA) on their interpretation of what elements of his salary package were eligible for superannuation, or “superable”. The member’s salary is made up from a number of building blocks, some of which are termed “allowances”. The member and his employer have been contributing on the major part of his remuneration, including these “allowances”, for over 20 years. Significantly, the contributions were in line with a directive from the GSF to the employing DHB dated as far back as 1995.

Datacom had also reviewed his situation in 2011 and all was apparently fine. However, when this member wrote to Datacom in 2015 to ascertain what his annuity would be should he choose to retire at some stage over the next few years he received a major shock. Applying a very strict ruling on what allowances were superable, the GSFA determined that a large portion of his remuneration would not count in the final salary calculations which would determine his annuity, even though he and his employer had been contributing for all these years and despite the fact that his situation had been reviewed before.

The Act states, inter alia, that “salary does not include bonus payments, payments for overtime, allowances paid for special work performed.....”. The GSFA argued that the Act gives the GSFA the authority to determine what allowances can be regarded as salary. In this case they applied a definition, of their own invention, that allowances could not be classified as salary if “they are not correlated in any way to base salary”. In other words, unless an allowance moves in step with salary it cannot be counted as salary and must be “for special work performed”.

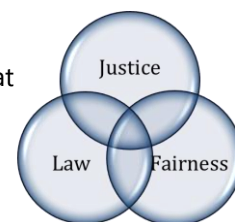
The GSA sought legal advice and we mounted a serious challenge to the GSFA ruling. We also received support (including financial) from the Association of Salaried Medical Specialists (ASMS). Our case was based on the fact that some of the allowances that had been disallowed had been paid to this member since he commenced his employment 20 plus years ago and they have always been part of his total salary package. We argued that the law does not require allowances to move in step with salary, therefore this arbitrary definition of what constituted an allowance was not in accordance with the Act. We also argued that the member’s contributions complied with the 1995 GSF directive and that a Datacom/GSFA review of this member in 2011, once completed, could not be revisited.

The case came before the Government Superannuation Appeals Board in August 2016. Three of the four allowances in question were ruled to be eligible for superannuation. The one which was excluded was an allowance being paid for additional duties being performed for a year at another DHB. Its temporary nature was the issue. All in all, our member is delighted with the result. As is the GSA, which, at considerable expense, chose to support this member.

This case has highlighted something we believe all those still in the workplace should be aware of. There are many members still in employment who are now on a variety of remuneration packages. Some packages are built up like building blocks with all kinds of different “allowances”. In many cases these include additional remuneration for taking on more responsibility or extra duties for lengthy periods of time.

Those in this situation need to be aware that the GSFA may challenge parts of their remuneration when calculating final salary for superannuation purposes. It is always to the employee’s advantage to have their remuneration classified as salary. If your remuneration is made up of building blocks labelled “base salary” and allowances, it is to your definite advantage to have your remuneration in the former category. Members should be aware of this issue and take appropriate steps to safeguard their retirement interests by examining their existing employment contract and getting as much into salary as possible. Your union may be able to help.

Members should also note that this case will not be seen as setting a necessary precedent and that all cases will be taken on their individual merits. Because of the significant costs involved, the GSA can only take up cases where there is good cause to do so and where there is deemed to be a reasonable chance of success.



Did You Receive a pay rise in September?

A number of annuitants noticed that their payment had increased on the September pay day. We queried GSFA and we were advised that an extra payment has been made to some annuitants with respect to their COLA adjustments. As part of the development of a new business system GSFA identified an issue regarding the application of COLA where the increase in the CPI was less than 0.5%. This resulted in some members receiving a slightly lower entitlement. GSFA has now amended their payments and paid back pay plus interest.

Remember, if you think there is an anomaly with your annuity payment, contact Datacom immediately. If this does not get matters sorted out, contact us.



Ethical Investment

Recent controversy around some Kiwisaver fund managers apparently investing in overseas weapons manufacturers raised some thoughts with us. Members can be assured that neither the GSF nor NPF are affected in any way.

Section 15J of the GSF Act requires the GSFA to invest "avoiding prejudice to New Zealand's reputation as a responsible member of the world community." This is taken seriously by the GSFA and their "Responsible Investment Policy" clearly excludes investment in anything to do with the following:

- ✓ The development or production of cluster munitions,
- ✓ The manufacture or testing of Nuclear Explosive Devices (NEDs)
- ✓ The development and production of anti-personnel mines,
- ✓ The production of tobacco or tobacco products
- ✓ Whaling and the production of whale meat
- ✓ Serious infringement of relevant international standards or

agreements relating to human rights, labour and employment, environmental damage, bribery and corruption, international security and disarmament.

A pat on the back to the GSFA for taking their responsibilities in this area seriously.



Centenary History

The observant will have noticed that we have made a small change to our logo by inserting the words "Founded in 1920".

This is to remind us that we celebrate 100 years of existence in just over three years

time. To mark the occasion, the GSA has commissioned Professor Roger Openshaw, from Massey University, to write a centennial history to be published in 2010. Roger is a GSA member and sits on the Manawatu Branch Committee, so he already starts with a good understanding of our Association. We wish him well in this project.

If any branches or individual members have items which may be of interest to our historian, please get in touch with National Office national@gsa.org.nz

Talking About Centenaries

This year marks a number of centenaries.

The Battle of Jutland, the biggest sea battle in history, took place off the coast of Denmark. It lasted less than 24 hours but it had a major influence on the outcome of the war that is often not recognised.

"Lest we Forget" the Somme, from July to November 1916, the scene of human losses never witnessed on such a scale before. On 16 September 1916 NZ soldiers took part in what is still the bloodiest battle in NZ's military history. 2,000 NZ soldiers died during the 23 days the NZ Division spent at the Front.

The Battle of Verdun lasted for 303 days from February to December 1916 and became the longest and one of the most costly battles in human history, and almost brought about French capitulation.

The Military Service Act 1916 came into force in September 1916 requiring all men aged between 20 and 46 to enroll for military service.



And, on a very cheerful note we extend our heartiest congratulations and very best wishes to those of our members who celebrate their their own personal centenary this year. What an achievement!



What does the Future Hold for Our Younger Folk?

Where do we fit in?

As members of the GSF or NPF schemes, we will have retired, or we can look forward to retirement, with a guaranteed income for life to top up our universal NZ Superannuation. We are fortunate to have begun work in an era when preparing for retirement was considered a lifetime process and schemes such as the defined benefit plans we now all enjoy were available to help us painlessly prepare for the day when we stopped work. We were also lucky in many other respects. We enjoyed free education, family benefit, subsidised food (remember milk at 4 cents a pint?), full employment, relatively low wage disparity, state support when needed, and many other benefits.

The next generation, are not enjoying the same benefits. Many are now encumbered by student loans, which will take years to pay off, and housing costs that have gone ballistic. Admittedly most consumer products are relatively cheaper and more readily available than they were 30 years ago, but we now live in a world where market forces prevail and few of our basic needs are subsidised. Many of our children have children of their own, and they feel the pinch.

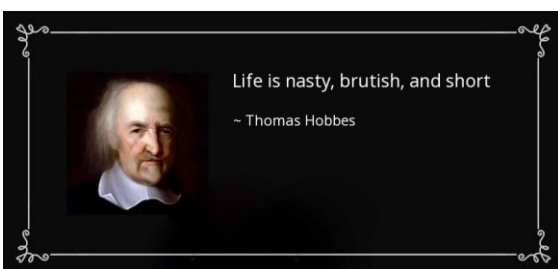
The housing market is today's most vivid marker for what faces our younger generations. There is a measure called the house-price-to-income multiple that compares the median house price with the median income. This multiple is recognised by the UN and the World Bank as an accurate measure of house affordability. Internationally, a multiple of 3.0 times or less is a very good marker for housing affordability. In 1980, when many GSA members would have been buying their first home, the multiple in NZ was around 2.0. Today, the NZ-wide multiple is over 6.8 and in Auckland it is a staggering 9.2.

All of this makes it so much harder for the average young household to prepare for that day when they are no longer earning a regular income.

In an article in the Dominion Post in December last year, Susan Edmunds explains that current research shows that even people living a 'no frills' or frugal lifestyle are spending considerably more than they would receive if they were only in receipt of NZ Super. Housing costs are a major proportion of expenditure, suggesting that it is important to reach retirement 'mortgage free'. In addition, she says, to achieve a relatively moderate retirement income will require a lump sum of at least \$120,000. Today's 32 year olds will need to save a minimum of \$59 per week over the rest of their working life to achieve that very modest target. A more comfortable lifestyle will require \$400,000, or weekly savings of \$207. This all assumes, of course, that universal NZ Super is here to stay. If it became means tested or disappeared altogether, the retiree would require an additional \$450,000 to replace it. KiwiSaver is certainly a big help, but will it be enough?

There is another aspect to this discussion which is also very important and that is life expectancy. The three score years and ten model is long past, yet it still influences much of our traditional thinking. Things are changing. Today's 35-year-old has an average life expectancy of 90-92 years. Unless our children intend working into their 70's, they should be preparing now for a long life after work. Couples are marrying later, and having children later. This gradual shift to the right will be a natural consequence of longer lives. But there is still a need to prepare. As Professor Lynda Scott of the London Business School writes: *"Imagine you have just run 8,000 metres of a 10,000 metre race and are suddenly told that the finishing line is now at 15,000 metres. It's overwhelming simply because you haven't prepared for it."*

The message? With little state support beyond KiwiSaver, and with only the lucky few enjoying private pension schemes, or significant material wealth, our youngsters need all the best advice they can get if they are to plan well for a long, fruitful and rewarding life. That is where we come in.



Although a lot has changed since the 17th Century, Hobbes is still relevant. It is often said that the only thing worse than what Hobbes describes is a life that is solitary, poor, nasty, brutish, and **long**. With life expectancy increasing all the time it is imperative that we ensure that our younger generations are heading for a later life that is anything but solitary, poor, nasty, and brutish.

We live in a world where the wealthiest 10% of Kiwis now hold close to 60% of the nation's wealth. The top 5% hold about 45% of the wealth, and the top 1% hold about 22%. By contrast, the bottom 40% of households control just 3% of the nation's wealth. This is not a NZ-only phenomenon. Apparently NZ sits at around the OECD average, while in the USA, the top 1% controls close to 40% of the wealth.



Feeling Old?

"If I'd known I was going to live this long, I'd have taken better care of myself."

- Eubie Blake, composer and pianist who was still performing at the age of 99, the year before his death.

A survey jointly conducted by the Office for Senior Citizens and the Human Rights Commission in 2014 found the following interesting results

- The number of people aged 65 years and over is expected to double to around 1.2 million by 2035 - almost a quarter of our population. In 20 years, there will be 370,000 people over 80 years of age - an increase of 130 percent.
- Of all age groups, older people are the least likely to be in hardship. For those currently aged 65 and over, the combination of universal New Zealand Superannuation and mortgage-free home ownership have led to lower rates of hardship.
- Older people are key contributors to our economy and our communities. They are skilled workers, volunteers, caregivers, mentors and leaders. They also continue to make a large economic contribution as business leaders, taxpayers and consumers.
- As the population ages, more people are choosing to stay in the workforce past 65. Currently 22 percent of people over 65 are engaged in some form of paid work, and this is projected to increase to 32 percent in 20 years time. This means that valuing the contribution of older people is becoming more important than ever.
- there are many positive attributes shown by older workers. These include being:
 - ✓ as or more productive than younger workers
 - ✓ good mentors
 - ✓ better at staying calm in a crisis.

A recent encounter brought much of this home to the editor. While shopping in Mega, as you do, and trying to avoid the lost husbands' department, I was served by a staff member who was noticeably older than his colleagues. We chatted. It turns out that he is 73 years old. He had tried retirement for a little while, but didn't find enough to do. He now works three days a week and loves it. He is treated with respect by the younger staff members and his wisdom is valued by all his workmates. If it was only thus for all seniors in the workplace.

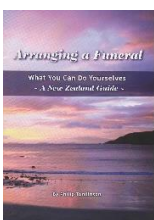
However, while many employers are aware of the ageing workforce, the majority of workplaces are not planning for an ageing workforce. Ageism in the workforce was also found to be high.

How much will groceries cost you in retirement?

New research has revealed Kiwis are underestimating how much it will cost to fill their supermarket trolleys in retirement. Just 11 per cent of people recently surveyed by the Commission for Financial Capability correctly estimated what a couple would need to pay for basic groceries. Using the figures provided, in a 20 year retirement you might spend:

Baked beans: \$7,500, Toast: \$6,000, Eggs: \$2,600, Toilet paper: \$2,600, Toothpaste: \$2,000, Chocolate: \$13,000, Tea: \$2,000, Weetbix: \$5,300

Cut down on the chocolate!



Arranging a Funeral. In our April edition we advised members of the existence of this very useful booklet on arranging funerals. Unfortunately, we provided incorrect contact details for obtaining a copy. You can get your copy for \$10 directly from Philip Tomlinson at 23A Seddon Street, Timaru, or by phoning him on 03 6881333, or by emailing: phi.dor.t@clear.net.nz



Half our Seniors are online

NZ Statistics suggest that over half of the 65-74 age group now use the internet. Although this percentage is lower than the overall figure for younger age groups, which is around 80%, it is still significant. Once online, most seniors make internet use a regular part of their lives. For most online seniors, 70% use the internet on a typical day. Internet usage is much less prevalent among adults who are currently aged 76 and older, with the figure at about 35-40%.

About a third of online seniors use social networking sites like Facebook and LinkedIn. Social networking site use among seniors has grown significantly over the past few years. In fact, the invasion of Facebook by the older generations has been responsible for many youngsters migrating to other more recent social networking sites such as Snapchat and Instagram. But, email use continues to be the primary means of online communications for seniors.



Are you being Scammed?

If it looks too good to be true, it probably is.

There are those in our community who believe that our senior citizens are gullible and easily targeted. Unfortunately, these unscrupulous parasites are successful often enough to make it worth their while. We need to be constantly on our guard. Here are a few tips.

Telephone Scams Perhaps the most common scheme is when scammers use fake telemarketing calls to prey on older people, who may make inadvisable purchases or transactions over the phone. With no face-to-face interaction, and no paper trail, these scams are incredibly hard to trace.

Internet Fraud While using the Internet is a great skill at any age, some older people make easier targets for automated Internet scams that are ubiquitous on the web and email programs.

Investment Schemes Investment schemes have been targeted at seniors looking to safeguard their cash for their later years. These can take the form of pyramid schemes, fables of a Nigerian prince looking for a partner to claim inheritance money, or complex financial products that many economists don't even understand.

Sweepstakes & Lottery Scams Scammers will tell you that have won a lottery or sweepstakes of some kind and need to make a payment to unlock the supposed prize.

What can you do?

- no telephone call should be considered 100% safe but you can reduce the risk if you can verify the identity of the individual you are talking to, or, if you have initiated the call yourself.
- No bank or other reputable institution will ever ask you for personal details such as account numbers, PIN numbers or passwords on line or on the telephone. If you do need to change your details, log in to the genuine web site, or visit your local branch.
- Never give a stranger access to your computer

In April this year a Nelson postal worker was warned by her employer for refusing to deliver "scam" mail to residents in a rest home. The Postie recognised that elderly folk were being targeted but she soon discovered that she could not intervene.

The mail contained a "scratchy" from Solaris Empire Travel Malaysia with a prize of US\$180,000. In reality, the whole thing was a con to get recipients to pay a "fee" before they could claim their "winnings".

Scam mail can be stopped by NZPost but only when customers complain to the police, or other agencies such as the Department of Internal Affairs. Beware.

The Department of Internal Affairs maintains an interesting and comprehensive record of current scams and advice on how to avoid them on its web site at:
<https://www.dia.govt.nz/Services-Anti-Spam-Reported-Scams>

Finally, if you think you have been scammed, don't be afraid or embarrassed to talk about it. Call your bank, or credit card company, or anybody who can help. The longer you leave it, the worse it could get.



Membership and Recruiting Remaining strong

2016 has been a very significant year for member recruiting. In April our decision to send a letter from the President instead of our usual

recruiting pamphlet to all annuitants who are not currently GSA members reaped dividends. We have processed over 1,300 new applications from annuitants and over 800 spouses. The result is that in July membership climbed to over 28,500 for the first time ever and we exceeded our previous peak set in mid 2014. The significance of writing to members rather than simply sending out an impersonal pamphlet has not been lost.

In September we changed our tactics slightly for our mailing to potential Pre-Annuitant members) or "Current Contributors" and we are including a letter from the President in our recruiting pamphlet. It is too soon to assess the result of this tactic.

The table on the right shows membership numbers on 1st September 2015 and 2016. As expected, we have fallen away from our July peak, but numbers remain strong.

	September 2015	September 2016
Auckland	4791	5049
Bay of Plenty	1848	1953
Canterbury	3774	3971
Gisborne	220	245
Hawkes Bay	914	968
HoroKapiti	1301	1354
Lake Taupo	239	241
Manawatu	1094	1124
Marlborough	581	606
Nelson	884	929
Northland	801	840
Otago	1518	1610
Rotorua	433	457
South Canterbury	402	412
Southland	384	407
Taranaki	547	589
Waikato	1517	1577
Wanganui	588	600
Wellington	5032	5560
	26868	28492



PSA Holiday Homes An Inexpensive Getaway

The Public Service Association (PSA) has 41 holiday homes available in 7 locations: Whitianga, Rotorua and Raumatī in the North Island; and Nelson, Carters Beach, Otematata and Te Anau in the South Island. Priced from \$53 to \$127 per night.

GSA members:

- Can book three months in advance with a maximum of one unit per GSA member at any one time
- Should provide their GSA number when booking
- Pay the same rates as PSA members
- The GSA member must be one of the occupants in the home
- Payment must be made within 7 days of booking
- Must comply with the PSA terms and conditions

GSA members are not able to:

- Book at peak times such as school holidays, long weekends or public holidays
- Enter the summer school holiday ballot

All homes are smoke free and pets are not permitted in the units or on the property.

The homes have:

- Comfy living spaces with LED TVs
- Fully equipped kitchens
- Bathrooms containing all the amenities
- Bedrooms with beds, blankets, duvets and pillows
- Heating/Cooling
- Free Laundry facilities
- Tourist information
- W-fi at a cost of \$5 a day (available at the site)

You need to take:

- Sheets, pillowcases and towels (including bath and tea towels)
- Toilet paper and cleaning materials

Book online: <https://www.psa.org.nz/psa-plus/holiday-homes/> or by phone: 0800 10 30 90 (Mon-Fri 8.30am to 4.30pm)

Payment can be made online by credit/debit card (Visa or MasterCard), by internet banking, or by bank deposit



Questions and Answers

These Q&A are based on questions from our members. (For answers to more frequently asked questions it is recommended that you visit the FAQs in the members section of the GSFA web site: (<http://www.gsfa.govt.nz>))

Q. My partner and I are not married and nor are we in a civil union. How can I protect my partner's entitlement should I pass on before she does?

A. *You do not have to be married or in a civil union in order for her to be entitled to a surviving spouse annuity should you die first. Datacom, on behalf of the GSFA will need to satisfy themselves of the nature of any relationship at the time of death. It is worth noting that the Property (Relationships) Act 1976 provides a legal definition of de facto relationships. In determining whether two persons are " living together as a couple", the following circumstances can be taken into account:*

- *The duration of the relationship.*
- *The nature and extent of the common residence of the relationship.*
- *Whether or not a sexual relationship exists.*
- *The degree of financial dependence or interdependence between the parties.*
- *The ownership, use, and acquisition of property.*
- *The degree of mutual commitment to a shared life.*
- *The care and support of children (either from that relationship or from previous relationships) .*
- *The performance of household duties.*
- *The reputation and public aspects of the relationship.*

Datacom will not necessarily seek evidence of all these criteria but they are provided here as guidance.

(We are extremely grateful to a GSA member who sent us the following correspondence between him and Datacom.)

Q. I am a member of the GSF fund. I will be retiring [date]. My employment terms and conditions have a facility where I would receive 6 months salary upon retirement having completed over 40 years service. My questions are these

- If I were to take the 6 months retirement monies as a lump sum on 30 June, how would this impact on my GSF?
- Could I start receiving the GSF straight after having received the 6 months lump sum?
- If on the other hand , I decide to receive the 6 months retirement allowance in fortnightly instalments, does this mean that I would continue to pay the GSF contribution for another 6 months after [date]?
- If I receive the 6 months retirement allowance in fortnightly instalments after [date], does his mean that I wont be eligible to receive the GSF until after the 6 months has elapsed?

A. (Datacom response) *We refer to your query regarding the date your entitlements would commence, we can confirm that if you ceased your current government service position as at [date] this would be your last day of duty. It is an agreement between the member and the employer to whether contributions are paid on outstanding leave owed after retirement.*

If you agree to pay contributions on the leave, your last day of paid service would be the day after the leave ends and therefore entitlements will commence on this date.

If you did not wish to pay contributions on the outstanding leave, your entitlements will commence the day after your last day of duty. We require confirmation from your employer's payroll office of this date and will request this information once you advise us whether or not you would like to pay contributions on the 6 months leave.

There is no disadvantage if the leave contributions are paid in a lump sum payment or fortnightly.



Finances Remaining healthy

The GSA continues to be in a healthy financial position. For the 2015/16 year the organisation made a \$44,000 surplus before tax, which was \$30,000 less than last year. Given that our costs have gone up, and subscriptions have not, we are reasonably comfortable with this performance.

There has been some flow of costs from branches to national office. The centralising of the publishing and distribution of newsletters is now a cost borne by national office, which has resulted in a much smaller surplus centrally than in previous years, and a healthier bottom line in the branches. Our total accumulated funds across the whole GSA now stand at around \$1 million of which just over 40% is held in branch accounts.

National office also incurred significant unbudgeted costs when providing legal assistance in the preparation of a submission to the Appeals Board.

The boost in membership this year will ensure that revenue remains satisfactory and the GSA should be able to remain in surplus for 2016/17.

GSA 2016 Consolidated Position

	GSA 2015	GSA 2016
Subscriptions	380,056	363,181
Functions	48,069	45,515
Interest	43,297	40,499
Donations	4,066	2,053
Other	2,316	1,689
income	477,803	452,936
Functions	73,874	72,374
Communications	85,322	89,517
Organisation	79,524	69,153
Personnel	110,361	116,376
Office function	21,117	18,751
Financial	7,988	10,973
Income tax	6,330	3,184
General	18,038	28,213
expenditure	402,554	408,541
surplus (deficit)	75,249	44,395
accumulated funds	972,986	1,017,380

Branch	Income	Expend.	Acc Funds
	\$	\$	\$
Auckland	31,982	28,163	62,990
Bay of Plenty	15,496	12,315	27,735
Canterbury/Westland	24,074	23,754	30,900
Gisborne	1,431	741	3,374
Hawkes Bay	8,721	7,705	21,453
Horowhenua/Kapiti	9,594	3,702	48,555
Lake Taupo	2,122	2,110	4,759
Manawatu	8,230	7,824	8,650
Marlborough	5,499	6,249	6,567
Nelson	7,402	5,490	16,900
Northland	7,145	5,601	15,683
Otago	14,164	10,711	45,383
Rotorua	5,888	4,474	10,269
South Canterbury	4,554	3,477	7,590
Southland	3,623	3,512	6,690
Taranaki	5,307	3,627	9,513
Waikato, King Country	13,838	12,153	24,732
Wanganui	5,242	3,525	15,110
Wellington	41,438	32,904	37,631
National Office	235,751	229,070	612,896





Life member Awards 2016 Two deserving recipients

Council was delighted to award Life Membership to two members. These two members have made an exceptionally meritorious contribution to the work of the Government Superannuation Association, at local and national level and are deemed well deserving of the award of Life Membership of the Association. Those honoured this year were:



Arthur Evans (Manawatu)

Arthur joined the New Zealand Army in 1961, and served in New Zealand and was posted overseas in 1962 to Malaya and Vietnam. After completing his career in the Army he joined the Returned Services Association where was awarded Life Membership in 2014.

Arthur joined the Hamilton Branch of the Government Superannuitants Association in 1981. He moved to Ashhurst in 1984 and joined the Manawatu Branch. In 1985 he was elected to the Manawatu Branch Committee, an appointment he still holds.

He has deputised for the Vice-Chairman, Secretary and Treasurer, at various times and he has also served on various sub-committees. Arthur was a delegate to Council for three years.

During his 31 years on the Manawatu committee Arthur has been a dedicated (often behind the scenes) key member who could always be relied on to provide support and encouragement to the Branch and its members whenever it was needed.

Graeme Valpy (Nelson)

After a successful teaching career in Dunedin, Graeme retired to Nelson. He quickly immersed himself in that community and in the affairs of the Nelson GSA. Almost immediately he was elected Branch Chair, a position he held for five years. He subsequently undertook the role of Secretary for the next eight years, until ill health forced him from an active role. He revitalised the Branch through his technical skills, his Chairmanship and his concern for others. He attended Council from 2005 to 2014 where his technological knowledge and skills enabled him to provide input, advocacy and support over the years of the Association's technology revolution both at the local branch level and nationally.

Apart from these GSA activities, he has served as a judicial JP for many years and was very active in Senior Net as both tutor and administrator.





The GSA Board Changing of the guard

Board elections are held at Annual Council. This year we saw our President, Janice Campbell, and our Vice President, Bryan Whisker, returned to their positions unopposed. Some changes to the GSA Board were inevitable with Jim Turner and Mark Leys standing down after many years on the Board. Elections were held and the new Board to see the Association through to Council 2017 looks like this:

President: Janice Campbell* (Wellington),

Vice President: Bryan Whisker* (Wellington)

*denotes sitting Board member

Board Members: Dallas Elvy (Wellington), Tony Hamilton* (Northland), Bill Robertson* (Wellington), Mike Smith* (Wellington), and Diane Ward* (Nelson).

The Board may also appoint up to two further members.

Janice said in her report to Council:

"I have very much enjoyed being President for the past year, and I look forward to continuing to serve you. As the first woman President, I have been received warmly by most, quizzically by some, and with resignation by a few"



Contact your branch secretary:

on 0800 888 472

or email:

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Maggie	Lee	wellington@gsa.org.nz

GSA website www.gsa.org.nz

The GSA website features an outline of the GSF and NPF annuity schemes and the organisation of the GSA and its advocacy.

Annuitants and contributors can join the GSA online, and members can amend their GSA personal record.

Members can also ...

View past issues of *Annuity News*, the GSA booklet *Retirement and your Annuity*, and minutes of Council and Board meetings.

To enter the member area, you need your email address and a password.

If the GSA does not already have your email address, update your record. Enter your name and annuity number and a password will then be sent to you at the email address you have provided.

Find your annuity number (which is also your GSA number) on any letter from Datacom. Or you can contact your branch secretary or national office.

Other Useful Contacts

For annuity administration:

Datacom (GSF) phone 0800 654731 or email gsf@datacom.co.nz

Datacom (NPF) phone 0800 628776 or email npenquiries@datacom.co.nz

Help protect your annuity

Sign up your spouse

Sign up a mate

Sign up other annuitants

You'll be doing all annuitants a favour by strengthening the GSA and helping to protect your income.

Applications can be made online at gsa.org.nz or ask your branch secretary on 0800 888 472 to send an application form to a prospective member. The GSA subscription is only \$1.65 four-weekly per annuity - a couple sharing an annuity pays one subscription.

Annuity News is published by the
Government Superannuitants Association of New Zealand Inc.
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Printed by Pivotal Thames, 35 Martin Square, Wellington